ARTICLE APPEARED
ON PAGE 5-4

NEW YORK TIMES 23 APRIL 1980

**€** STAT

## Iranian Oil Output Said To Decline

## C.I.A. Sees No Threat to Buyers

## By RICHARD D. LYONS

Special to The New York Times 3

WASHNGTON, April 22—The Director of Central Intelligence told a Senate bearing today that Iranian oil exports were continuing to decline but that this did not appear to pose an immediate threat to the economies of either Japan or other major petroleum-importing nations.

Adm. Stansfield Turner testified that sabotage in the Iranian oilfields, the lack of proper maintenance of equipment, such as pumps and pipelines, plus a lag in exploration and drilling had combined to reduce Iranian exports to 1.5 million barrels a day.

"I think even this number is going to erode downward," Admiral Turner told the Senate Energy Committee.

Because of falling production, Admiral Turner said, "the Iranians don't have a great deal of leverage at this time, but coupled with what other oil exporters do, it could be serious."

Iranian Impasse With Moscow

Admiral Turner appeared before the committee with two aides, Ronald L. Smith, chief of the Central Intelligence Agency's International Materials division, and John E. Eckland, chief of the agency's Petroleum Supply Analysis Center.

The three faced a wide range of questions, which elicited a number of conclusions:

The Iranian Government and the Soviet Union are at an impasse on negotiations over prices paid by Moscow for natural gas imports.

days of oil supplies for their economy, while West Germany and other Western European nations have slightly less—about 90 days' supply.

The Soviet Union will switch from being a net exporter of oil next year to being a net importer and will start making purchases from Persian Gulf states.

9Soviet and United States demand for energy "sets the stage for an East-West competition for Mideast oil."

The possibility of such a confrontation and the probability of a disruption of oil supplies from the Persian Gulf were the reasons that the committee held the hearings, according to its chairman, Senator Henry M. Jackson, Democrat of Washington.